

DATE: 19 March 1953

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SUBJECT: LOEWEN's Visit to Salzburg  
REF: 100-1-1-1; 100-1-1-1; 100-1-1-1, para. 5.

For reference it was requested that LOEWEN visit Salzburg. The  
reference was as follows:

- to arrange a controlled meeting between LOEWEN and Matyas DANKO,
- to review the case of Antal DALLOS, DS-527, DS-539, and DS-543,
- to discuss the lead of Gyula MELEGHY, and
- to give to LOEWEN additional briefing on operational debriefing procedures.

LOEWEN met at the railroad station on 12 March at 1028 hours by  
DANKO who took him in his car to Oberalm, discussing first their  
operational problems listed above until 1400 hours. It was  
agreed that DANKO would send a wire to Matyas DANKO in Linz requesting the  
use of telephone at his earliest opportunity LOEWEN's hotel (Gabler-  
hof). LOEWEN was informed that the adjoining room was to be occupied  
by DANKO whose duty was to record LOEWEN's meeting with DANKO. It was  
agreed that LOEWEN would not indicate to DANKO intelligence interest on  
the course of these meetings. Furthermore it was agreed that he  
was to inform DANKO that he is employed in Frankfurt by a U. S. Army Claim Team  
with his duty being to survey damage caused by troops on maneuvers and  
other incidents. Instructions were given to LOEWEN not to proceed to his  
room until 1500 hours in order to allow Albert L. Coxeter time to prepare the  
rooms (#57 and #58) for audio-surveillance.

DANKO dispatched his wire to DANKO about 1700 hours of the same day,  
DANKO failed to call him until 1300 hours of 13 March 1953. At this time  
DANKO met with LOEWEN at the latter's hotel room and advised that an  
audio-surveillance should be placed for DANKO in Linz. DANKO was reached at 1800  
hours and he promised to meet LOEWEN at the railroad station at 1036 hours of  
13 March. DANKO failed to arrive at the time agreed upon. Subsequently LOEWEN  
was instructed to meet the 1158 and 1330 trains from Linz, just in case DANKO

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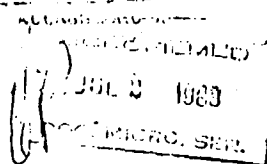
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19 Mar. '53

100-1-1-1

PETER D. LODWEIN'S MEETING WITH MATYAS DANKO  
ON 15 MARCH 1953.



1. Matyas DANKO reported to LODWEIN's hotel at 0900. Since the latter registered with his true name, DANKO had no difficulty in establishing contact with LODWEIN in his hotel room. After exchanging information mutually about their families DANKO told LODWEIN how pleased he was to meet finally someone whom he could trust and with whom he could talk over his personal problems and obtain honest, benevolent advice. He clearly stated that he seeks counsel in regard to the future of his intelligence work.

2. LODWEIN acknowledged that he knows DANKO is involved in intelligence work for the MHBK, a fact known to him from the past. DANKO went on to state that he works for the MHBK, which in turn works for the U. S. intelligence service. This work, however, does not proceed to his satisfaction. He is not satisfied with the methods used, and it appears to him that the Americans backing his group are weak. DANKO went on to state that there must be an American organization which is stronger and more competent than the group with which he is working and asked LODWEIN whether the latter would be in a position to provide such contact. LODWEIN answered that he has social contacts with Americans in Frankfurt and that he could try to find someone who would be interested in DANKO, provided he had an idea of what DANKO has to offer and saw why DANKO now looks for additional American contacts.

3. DANKO answered that he does not know who the Americans sponsoring his MHBK group in Munich are. He has contact only with two men:

- a. Captain Antal RADNOCZY.  
b. Colonel Kalman ABAY, editor-in-chief of the MHBK periodical "Hadak Utjan".

He receives a salary of ANS 800 per month, plus ANS 350 for administrative expenses. This salary is handed to him monthly by RADNOCZY and occasionally by ABAY. He went on to say that approximately six months ago he was also in touch with Sandoz HAHOTI, but he is no longer in business contact with the latter (DANKO furnished no explanation and was asked for none).

4. DANKO continued that he has worked for this group for approximately three years. Originally the group was headed by Gen. HOLOSSY-STROBL until the latter was replaced by Capt. RADNOCZY. DANKO maintains that throughout this time he was honestly and fairly treated, and for this reason he feels that he owes loyalty to Antal RADNOCZY and Kalman ABAY. At the same time he came to feel in recent months that something had gone wrong not only with the MHBK but also with the intelligence group for which he works. DANKO estimates that in approximately 2 or 3 months the group will no longer be in a position to support him and his operations. He drew this conclusion from the rapidly decreasing salary he receives. Originally he received ANS 3,000 per month. He went on to say that he would not now drop his work and abandon the group just because he receives less salary, especially since he has known Col. ABAY--also a Gendarme--for a long time. He expects, however, that the group will collapse within a

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